BC FORM 51-901F

QUARTERLY STATEMENTS

Incorporated as part of: ______x__ **Schedule A**
_______ **Schedules B & C**

ISSUER DETAILS:

NAME OF ISSUER	**Benchmark Energy Corp.**
ISSUER'S ADDRESS	**Suite #2410 - 650 West Georgia Street** **Vancouver, BC, V6B 4N7**
ISSUER EMAIL	**cooper@firstmg.com**
CONTACT PERSON	**Mr. Chris Cooper**
CONTACT'S POSITION	**Director**
CONTACT TELEPHONE NUMBER	**(604) 689 8336**
FOR QUARTER ENDED	**June 30, 2004**
DATE OF REPORT	**October 25, 2004**

CERTIFICATE

THE SCHEDULE(S) REQUIRED TO COMPLETE THIS QUARTERLY REPORT ARE ATTACHED AND THE BOARD OF DIRECTORS HAS APPROVED THE DISCLOSURE CONTAINED THEREIN. A COPY OF THIS QUARTERLY REPORT WILL BE PROVIDED TO ANY SHAREHOLDER WHO REQUESTS IT. PLEASE NOTE THIS FORM 51-901F IS INCORPORATED AS PART OF THE REQUIRED FILING OF SCHEDULE A AND SCHEDULES B AND C.

"CHRIS COOPER" (SIGNED) **04/10/25**
NAME OF DIRECTOR DATE SIGNED (YY/MM/DD)

"D. BARRY LEE" (SIGNED) **04/10/25**
NAME OF DIRECTOR DATE SIGNED (YY/MM/DD)

BENCHMARK ENERGY CORP.
(formerly Hedong Energy Inc.)

Financial Statements
June 30, 2004 and 2003

Tony M. Ricci Inc.

Chartered Accountant

Suite 1304
925 West Georgia St.
Vancouver, B.C.
V6C 3L2
Tel: (604) 669-3013
Fax: (604) 669-3015

AUDITOR'S REPORT

TO THE SHAREHOLDERS OF BENCHMARK ENERGY CORP. (FORMERLY HEDONG ENERGY INC.)

I have audited the balance sheet of Benchmark Energy Corp. (formerly Hedong Energy Inc.) as at June 30, 2004 and June 30, 2003 and the statement of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2004 and June 30, 2003 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"Tony M. Ricci Inc."

Chartered Accountant

Vancouver, British Columbia
October 7, 2004

BENCHMARK ENERGY CORP.
(formerly Hedong Energy Inc.)
Balance Sheets
June 30

	2004	2003
Assets		
Current		
Cash	$ 53,011	$ 2,329
GST receivable	4,658	-
	$ 57,669	$ 2,329
Liabilities		
Current		
Accounts payable and accrued liabilities	$ 40,091	$ 60,089
Due to related parties (note 6)	45,976	134,140
	86,067	194,229
Shareholders' Equity		
Capital Stock (note 5)	395,281	49,681
		-
Deficit	(423,679)	(241,581)
	(28,398)	(191,900)
	$ 57,669	$ 2,329

Going concern (note 2)

Commitment (note 4)

Approved on behalf of the Board:

"Chris Cooper"
.... Director
Chris Cooper

"Barry Lee"
.... Director
Barry Lee

See notes to financial statements.

BENCHMARK ENERGY CORP.
(formerly Hedong Energy Inc.)
Statements of Operations and Deficit
Years Ended June 30

	2004	2003
Expenses		
Rent	$ 62,800	$ 60,359
Management and administrative fees	31,400	29,844
Professional Fees	25,893	21,863
Transfer agent / Regulatory	13,486	10,793
Interest and bank charges	11,322	3,985
Office	8,946	4,703
Consulting fees	7,391	20,171
Travel	749	57,961
Advertising and promotion	207	-
Foreign exchange loss	-	1,377
	162,194	211,056
Loss before other item	(162,194)	(211,056)
Other item		
Interest income	96	91
Write-off of mineral property (note 4)	(20,000)	(34,498)
Loss for the year	(182,098)	(245,463)
Retained earnings (deficit), beginning of year	(241,581)	3,882
Deficit, end of year	$(423,679)	(241,581)
Loss per share – basic and diluted	$(0.05)	$ (0.07)
Weighted Average Number of Shares Outstanding - basic and diluted	3,677,147	3,532,123

See notes to financial statements.

BENCHMARK ENERGY CORP.
(formerly Hedong Energy Inc.)
Statements of Cash Flows
Years Ended June 30

	2004	**2003**
Cash provided by (used in):		
Operating activities:		
Net loss for the period	$(182,098)	$(245,463)
Items not involving cash:		
Bonus shares issued on loan	8,000	2,000
Write-off of mineral property	20,000	34,498
Changes in non-cash working capital items:		
GST receivable	(4,658)	5,471
Accounts payable	(19,998)	28,646
	(178,754)	(174,848)
Financing activities:		
Due to related parties	(88,164)	134,140
Shares issued for cash, net of issue costs	337,600	-
	249,436	134,140
Investing activities:		
Investment in mineral property	(20,000)	(34,498)
	(20,000)	(34,498)
Increase (decrease) in cash	50,682	(75,206)
Cash, beginning of period	2,329	77,535
Cash, end of period	$ 53,011	$ 2,329
Supplements cash flow information:		
Common shares issued as loan bonus (note 5(b))	$ 8,000	$ 2,000

See notes to financial statements.

1. ORGANIZATION AND NATURE OF OPERATIONS

Benchmark Energy Corp. (the "Company") is listed on the NEX Board of the TSX Venture Exchange ("TSX"). The Company is currently seeking investment opportunities.

Listed companies on the NEX board are limited to, amongst other items, management fees of $2,500 per month, raising a maximum of $350,000 in aggregate through the issuance of shares in any twelve month period, and issuing maximum stock options equal to 10% of the issued and outstanding shares during any twelve month period.

In February 2004, the Company proceeded with a consolidation of its issued share capital on a three old for one new basis and a name change from Hedong Energy Inc. to Benchmark Energy Corp. All share and per share information contained in these financial statements reflects the post-consolidated share numbers.

2. GOING CONCERN

These financial statements are prepared on a going-concern basis, which implies that the Company will continue realizing its assets and discharging its liabilities in the normal course of business and will be able to establish new business opportunities and be able to raise sufficient funds to develop the new business. As at June 30, 2004, the Company has an accumulated deficit of $423,679 and a working capital deficit of $28,398. Accordingly, these financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern, establish a new business and obtain sufficient financing to fund development of the new business.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Financial instruments

Except as otherwise disclosed in the financial statements, the fair values of cash, GST receivable, accounts payable and accrued liabilities and due to related parties approximate their carrying values. The Company does not use any derivative financial instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks.

(b) Foreign currency translation

Amounts recorded in foreign currency are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities are translated at the rate of exchange in effect at the balance sheet date;
(ii) Non-monetary assets and liabilities are translated at the rate of exchange in effect at the date of the transaction; and,
(iii) Revenues and expenses, at the average rate of exchange for the year.

Gains and losses arising from the translation of foreign currencies are included in the statement of operations for the year.

(c) Loss per share

Loss per share is calculated based on the weighted average number of common shares outstanding during the year.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and would impact future results of operations and cash flows.

(e) Mineral property

Acquisition and exploration costs relating to mineral properties are deferred until the properties are brought into production, at which time the deferred costs are to be amortized on a unit of production basis, or until the properties are abandoned or sold, at which time the deferred costs are written off.

The Company periodically reviews the value of its mineral claims through review of various engineering reports and enquiry of its consultants. Once the decision is made to cease further exploration and a ready market is not available for sale, the acquisition costs and related deferred exploration costs are written off.

The amounts shown as mineral properties and deferred exploration represent unamortized costs to date and do not necessarily reflect present or future values.

(f) Stock-based compensation

Effective July 1, 2003, the Company adopted CICA Handbook Section 3870 "Stock-Based Compensation and Other Stock-Based Payments", which establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments made in exchange for goods and services. For fiscal years beginning after January 1, 2004, direct awards of stock and other stock based compensation granted to employees are recorded at fair value on the date of grant and the associated expense is amortized over the vesting period. The Company has chosen to adopt a prospective application of the new standards whereby it accounts for awards to employees and non-employees based on the fair value method.

No stock options to directors, officers and employees were granted in the current or prior year and therefore no stock based compensation expense has been calculated.

(g) Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

4. MINERAL PROPERTY

During the year ended June 30, 2003, the Company signed a Memorandum of Understanding ("Memorandum") with Consolidated JABA Inc. ("JABA") to secure an option to earn up to an 80% interest in the Providence Claims of the Providence Gold Project in Clarke County, Nevada.

4. MINERAL PROPERTY (continued)

Under the terms of the Memorandum, the Company was to complete work programs totalling US $900,000 on the property over four years and make property payments totalling US $400,000 over eight years. The Company was to also issue 150,000 shares in the capital stock of the Company each year under the Memorandum commencing on TSX approval, until a bankable feasibility study was completed. The Company would have earned a 70% interest in the claims after completing the work program and an additional 10% totalling 80% by completing a bankable feasibility study.

During the year ended June 30, 2003, the Company paid US$25,000 for the first year property payment in accordance with this agreement. During the year ended June 30, 2004, the Company terminated this option agreement. As a result of the termination, the Company paid $20,000 and is to issue 50,000 common shares of the Company to JABA. These common shares have yet to be issued.

5. CAPITAL STOCK

(a) Authorized

(i) Unlimited number of common shares without par value
(ii) Unlimited number of 10% cumulative redeemable convertible non-voting Class A preferred shares without par value
(iii) Unlimited number of non-voting Class B preferred shares without par value

(b) Issued and outstanding

Share capital consists of common shares issued as follows:

	2004		2003	
	Number of Shares	Amount	Number of Shares	Amount
Balance, beginning of year	10,609,475	$49,681	10,592,808	$47,681
Stock consolidation	(7,072,983)	-		
Issuance of bonus shares (note 5(i))	45,714	8,000	16,667	2,000
Private Placement (note 5(ii))	2,187,500	350,000		
Share issue costs related to private placement (note 5(ii))	-	(12,400)	-	-
Balance, end of year	5,769,706	$395,281	10,609,475	$49,681

(i) Bonus Shares:

During the year ended June 30, 2004, the Company issued 45,714 bonus shares at a deemed price of approximately $0.18 per share to a shareholder of the Company in exchange for a non-interest bearing loan of $40,000. The loan was repaid during the year.

(ii) Private Placement:

During June 2004, the Company completed a brokered private placement of 2,187,500 units in the capital stock of the Company at a price of $0.16 per unit for total gross proceeds of $350,000. Each unit consists of one common share of the Company and one half of one share purchase warrant, each whole warrant exercisable into one common share at a price of $0.20 for twelve months from the date of Closing. Finder's fees of $12,400 were paid in connection with portions of the private placement.

5. CAPITAL STOCK (continued)

(b) Issued and outstanding (continued)

(iii) Options:

The Company had no options outstanding at June 30, 2004 and June 30, 2003.

(iv) Warrants:

The Company had no warrants outstanding at June 30, 2003. As at June 30, 2004, the following warrants were outstanding:

Number of Shares	Exercise Price	Expiry Date
1,093,750	$0.20	June 9, 2005

(v) The Company had 2,778 common shares held in escrow at June 30, 2004 (2003 – 2,778).

6. RELATED PARTY TRANSACTIONS

During the year, the Company paid or accrued the following amounts to companies controlled by directors of the Company, to a former director of the Company and to a company controlled by a former director of the Company:

	2004	2003
Consulting services	$ -	$ 3,000
Management and administrative services	30,000	27,500
Rent	60,000	60,359

The amount is due to a former director and a company controlled by a former director for advances, rental and administrative services. The amounts are unsecured, non-interest bearing and repayable on demand.

7. INCOME TAX

The Company has available operating losses which may be carried forward to apply against future years' income for Canadian income tax purposes. The tax effect has not been recorded in these financial statements. The losses expire as follows:

Available to	Amount
2005	92,000
2006	195,000
2007	238,000
2008	212,000
2009	197,000
2010	211,000
2011	162,000
	$1,307,000

7. INCOME TAX (continued)

The components of the future income tax assets are as follows:

	2004	2003
Future income tax assets		
Non-capital loss carry-forwards	$1,307,000	$1,293,000
Approximate tax rate	40%	40%
	522,800	517,200
Less: Valuation allowance	(522,800)	(517,200)
	$0	$0

The valuation allowance reflects the Company's estimate that the tax assets likely may not be realized.

The Company also has approximately $15,600,000 of allowable capital losses which may be carried forward indefinitely to apply against future years' capital gains.

BC FORM 51-901F

QUARTERLY STATEMENTS

Incorporated as part of: ________Schedule A
_____x_ Schedules B & C

ISSUER DETAILS:

NAME OF ISSUER	**Benchmark Energy Corp.**
ISSUER'S ADDRESS	**Suite #2410 - 650 West Georgia Street** **Vancouver, BC, V6B 4N7**
ISSUER EMAIL	**cooper@firstmg.com**
CONTACT PERSON	**Mr. Chris Cooper**
CONTACT'S POSITION	**Director**
CONTACT TELEPHONE NUMBER	**(604) 689 8336**
FOR QUARTER ENDED	**June 30, 2004**
DATE OF REPORT	**October 25, 2004**

CERTIFICATE

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"CHRIS COOPER" (SIGNED)	**04/10/25**
NAME OF DIRECTOR	DATE SIGNED (YY/MM/DD)
"BARRY LEE" (SIGNED)	**04/10/25**
NAME OF DIRECTOR	DATE SIGNED (YY/MM/DD)

BENCHMARK ENERGY CORP.

(formerly Hedong Energy Inc.)

QUARTERLY REPORT

FOR THE YEAR ENDED JUNE 30, 2004 AND 2003

(Unaudited – Prepared by Management)

SCHEDULE B: SUPPLEMENTARY INFORMATION

1. Analysis of expenses and deferred costs:

See audited Statements of Operations and Deficit. There were no deferred costs for the year ended June 30, 2004.

2. Related Part Transactions:

Aggregate amount of related party transactions during the year ended June 30, 2004:

Management and administrative fees	$	30,000
Rent		60,000

During the year ended June 30, 2004, related parties were paid or accrued a total of $30,000 for services relating to the management and administration of the Company.

2. (a) Securities issued during the year ended June 30, 2004:

Date of Issue	Type of Security	Type of Consideration	Type of Issue	Number or Amount	Price	Total Proceeds	Commission Paid
Jan-8-04	Common	Loan	Loan Bonus	45,714	$0.18	$8,000	N/A
Jun-10-04	Common	Cash	Private Placement	2,187,500	$0.16	$350,000	$12,400

(b) Options granted during the year ended June 30, 2004:

Nil

(c) Warrants issued during the year ended June 30, 2004:

Expiry date	Exercise price	Number
June 9, 2005	$0.20	1,093,750

3. (a) Authorised and issued capital as at June 30, 2004:

(i) Common:

Authorised: Unlimited number of common shares without par value
Issued and outstanding: 5,769,706 common shares valued at $395,281

(ii) Preferred:

Authorised: Unlimited number of 10% cumulative redeemable convertible non-voting preferred shares designated class A preferred shares.
Issued and outstanding: Nil

(b) Options outstanding as at June 30, 2004:

Nil

(c) Warrants outstanding as at June 30, 2004:

Expiry date	Exercise price	Number
June 9, 2005	$0.20	1,093,750

(d) Number of shares in escrow as at June 30, 2004:

2,778

4. List of Directors as at October 25, 2004:

Directors:	Officers
Chris Cooper	Chris Cooper – President
Barry Lee	
Robert Lee	

SCHEDULE C: MANAGEMENT DISCUSSION

Background

This discussion and analysis of financial position and results of operation is prepared as at October 25, 2004 and should be read in conjunction with the audited financial statements for the years ended June 30, 2004 and 2003 of Benchmark Energy Corp. (the "Company") where necessary. Those financial statements have been prepared in accordance with Canadian generally accepted accounting principles. All dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR at www.sedar.com.

Description of Business

The Company is listed on the NEX board of the TSX Venture Exchange. The Company was declared inactive on September 11, 2001. According to the Exchange, unless the Company completes its reactivation, it will remain on the NEX board.

During the year ended June 30, 2004, the Company announced it had relinquished its interest to secure an option to earn up to an 80% interest in the Providence Claims of the Providence Gold Project located in Clarke County, Nevada with Consolidated JABA Inc.

The Company continues to identify and review opportunities in the resource sector.

Selected Annual Financial Information

	June 30, 2004 $	June 30, 2003 $	June 30, 2002 $
Total revenues	-	-	-
Net loss	(182,098)	(245,463)	(177,565)
Net loss per share - basic and diluted	(0.05)	(0.07)	(0.07)
Total assets	57,669	2,329	83,006
Total long-term financial liabilities	-	-	-
Cash dividends declared per share	-	-	-

Discussion of Operations and Financial Condition

Results of Operations for the year ended June 30, 2004 and 2003

During the year ended June 30, 2004, the Company was inactive and only incurred costs to sustain minimum operations. Total expenses for the year ended June 30, 2004 amounted to $162,194 compared to $211,056 for the year ended June 30, 2003. The levels of expenditure for individual cost categories were comparable from period to period which reflects the Company's inactivity in both periods. The Company incurred interest and bank charges of $11,322 for the year ended June 30, 2004 compared to charges of $3,985 for the year ended June 30, 2003. Included in interest charges during the current period is $8,000 pursuant to the issuance of 45,714 common shares as a bonus for a third party loan to the Company in the amount of $40,000 compared to the prior period expense of $2,000 pursuant to the issuance of 16,667 common shares as a bonus for a third party loan to the Company in the amount of $10,000. Management and administrative fees for the year ended June 30, 2004 were $31,400 compared to $29,844 for the year ended June 30, 2003. Consulting Fees were $7,391 for the year ended June 30, 2004 compared to $20,171 for the year ended June 30, 2003. The consulting fees during the current period relate to financial consulting services and to general consulting services for administrative task. This compares to the prior period when the bulk of the consulting fees related to purchase investigation costs for possible property acquisitions, including the contemplated acquisition of the Nevada property. In addition, travel expenses were $749 for the year ended June 30, 2004 compared to $57,961 for the year ended June 30, 2003. The travel costs in the prior period related to the acquisition of a mineral property in Nevada and financing efforts.

Net Loss for the Period

The Company incurred a net loss for the year ended June 30, 2004 of $182,098 compared to a net loss of $245,463 for the year ended June 30, 2003.

Liquidity and Capital Resources

The Company began the year with a working capital deficit of $191,900, which included cash of $2,329. The Company incurred a net loss of $182,098 for the year ended June 30, 2004 and ended the period with a working capital deficit of $28,398, including cash of $53,011.

During the year ended June 30, 2004, the Company has funded its activities through a private placement and received net proceeds of $337,600. The private placement was also the reason for the material improvement in the Company's working capital between the periods. This compares with advances of $134,140 from related parties for the year ended June 30, 2003.

Management believes it is imperative to raise additional funding via debt or equity in order to sustain the Company's minimum operations. There are no assurances any future funding will be completed or on favourable terms to the Company.

Discussion of Operations

Operations at this time are focused on the review of potential acquisitions in the resource sector and sourcing of potential financing for the Company.

Summary of Quarterly Results

	Jun 30 2004 $	Mar 31 2004 $	Dec 31 2003 $	Sep 30 2003 $	Jun 30 2003 $	Mar 31 2003 $	Dec 31 2002 $	Sep 30 2002 $
Total revenues	-	-	-	-	-	-	-	-
Net loss	(47,521)	(42,493)	(65,937)	(26,147)	(75,021)	(32,615)	(43,674)	(94,153)
Net loss per share								
- basic and diluted	(0.01)	(0.01)	(0.02)	(0.00)	(0.02)	(0.01)	(0.02)	(0.03)

Investor Relations Activities

The Company currently has no investor relations activity.

Disclosure of Outstanding Share Data

The following details the share capital structure as of the date of this MD&A.

	Expiry date	Exercise price	Number	Number
Common shares				5,769,750
Share purchase options			Nil	Nil
Warrants	June 9, 2005	$0.20	1,093,750	1,093,750

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts, that address future acquisitions, financings and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements.